

PERSEUS MINING'S MANAGING DIRECTOR'S ADDRESS TO ANNUAL GENERAL MEETING OF SHAREHOLDERS

This financial year, our focus has been on transitioning Perseus from being a single-mine gold producer into a successful, multi-mine, multi-jurisdictional explorer, developer and producer of gold. With the successful commissioning of our Sissingué gold mine in the March quarter of 2018, we took a major step forward in pursuit of this goal, and we are now well on track to implement our strategy in full.

Not only have we increased the number of operating mines in our asset portfolio, but with the commissioning of Sissingué and the material improvement in performance at Edikan, we have also significantly improved our ability to generate free cashflow at current gold prices.

We have now reported seven consecutive quarters (including the September quarter and expect to report another in December) of strong operating performance and in the June 2018 quarter, we reported a record result, producing a total of 83,881 ounces of gold at a weighted average all-in site cost of US\$913 per ounce.

At Edikan, where we have produced more than 1.4 million ounces of gold since the commencement of production in 2011, we have been steadily improving our operating efficiency and are now making a very good fist of operating a challenging large-scale, low-grade operation. In a change from the past, we are hitting our internal budgets month in – month out and this is providing a level of consistency and predictability for which we have been striving for some time.

Our development team in Côte d'Ivoire did a great job in getting Sissingué into production ahead of schedule and on budget, and our operating team has continued the excellent work by rapidly ramping up the operation and comfortably exceeding targets in the first full quarter of commercial operations. Since then and notwithstanding a very wet West African wet season, Sissingué continues to perform very well relative to our targets. Not only is the mine proving to be a reliable, low-cost gold producer that is generating a significant proportion of our monthly cash flow, (and in this regard I note that in the first 4 months of this financial year, while Sissingué has contributed 25% of the Group's gold production, it has contributed 56% of notional cashflow for the Group) but Sissingué's successful development and commissioning has greatly improved our confidence to deliver a similar result when our third mine, Yaouré, moves into development in early 2019.

A positive Definitive Feasibility Study was completed for Yaouré in late 2017 and in May 2018, we started front-end engineering and design for the mine and associated infrastructure. This study was completed on 6 October 2018 and confirmed the accuracy of our development cost estimate of US\$264 million. Receiving an exploitation permit is the next key milestone for Yaouré, and we are hopeful that this will occur in the very near future. We have advanced work on putting together a funding package for the development of the mine without raising new equity capital and by the end of 2018, we are intending to have all the necessary pieces in place to consider a decision to proceed to full-scale development of Yaouré in 2019.

Meanwhile, we continue to explore across all three of our properties, confident of adding more gold Resources and Reserves to our inventory. At Sissingué, we have identified three priority exploration targets which have the potential to become satellite deposits that could extend the mine life. At Yaouré, we have achieved exploration success adjacent to the proposed open pits and we expect to announce an increase in Mineral Resources later this year. We have also had further success in identifying additional mineralization to the north east of the one of our proposed open pits and will continue to explore in this area with the aim of delineating a further ore body in the future.

We have also completed a scoping study of an underground mining operation at Yaouré that indicates that an underground operation is feasible at current gold prices by driving off the bottom of the currently planned CMA open pit. We plan to advance this work to Preliminary Feasibility Stage in the not too distant future. In Ghana, we are focused on following up geophysical targets located at depth between the two currently known Esuajah north and south deposits. Some exciting preliminary results have recently been returned which materially enhance the prospect of further discoveries of gold at depth, leading to a possible extension of the currently expected life of Edikan. In fact, we announced earlier this week that drilling on the Esuajah Gap prospect between the Esuajah North and Esuajah South deposits, has confirmed the existence of a significant mineralised granite body and based on drill results returned to date, Esuajah Gap exhibits similarities to both the Esuajah North and Esuajah South deposits that originally contained 475,000 ounces and 391,000 ounces of gold in Proved and Probable Ore Reserves respectively.

Each of the above achievements is the result of outstanding efforts by our teams in Ghana, Cote d'Ivoire and Australia and I am very pleased to welcome the leaders of our Ghanaian and Ivorian teams to this event here in Perth today.

While we have worked hard to improve the quality of our physical assets in 2018, a similar level of effort has gone into developing and encouraging our people, without whom the very much improved performance of our business would not have occurred. I sincerely thank each and every one of our employees for their efforts and look forward to continuing to work collaboratively to achieve our goals in periods to come.

In retrospect, I expect that 2018 will be judged as a watershed year for Perseus, where we moved beyond the challenges of prior years and established the platform for delivering future success and long-awaited returns for our very patient and supportive shareholders, for many years to come.

Thank you and I will now take any questions that you may have.

Jeff Quartermaine

Chief Executive Officer and Managing Director

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Competent Person Statement:

The information in this report that relates to the Mineral Resource and Ore Reserve estimates for the Edikan deposits was reported by the Company in compliance with the JORC Code 2012 and NI43-101 in a market announcement released on 20 April 2015, 19 April 2016 and 29 August 2018. The Company confirms that it is not aware of any new information or data that materially affect the information in that market release and that all material assumptions underpinning those estimates and the production targets, or the forecast financial information derived therefrom, continue to apply and have not materially changed. The Company further confirms that material assumptions underpinning the estimates of Ore Reserves described in “Technical Report – Central Ashanti Gold Project, Ghana” dated 30 May 2011 continue to apply.

Caution Regarding Forward Looking Information:

This report contains forward-looking information which is based on the assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management of the Company believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Assumptions have been made by the Company regarding, among other things: the price of gold, continuing commercial production at the Edikan Gold Mine and the Sissingué Gold Mine without any major disruption, development of a mine at Yaouré, the receipt of required governmental approvals, the accuracy of capital and operating cost estimates, the ability of the Company to operate in a safe, efficient and effective manner and the ability of the Company to obtain financing as and when required and on reasonable terms. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used by the Company. Although management believes that the assumptions made by the Company and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. Forward-looking information involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the actual market price of gold, the actual results of current exploration, the actual results of future exploration, changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in the Company's publicly filed documents. The Company believes that the assumptions and expectations reflected in the forward-looking information are reasonable. Assumptions have been made regarding, among other things, the Company's ability to carry on its exploration and development activities, the timely receipt of required approvals, the price of gold, the ability of the Company to operate in a safe, efficient and effective manner and the ability of the Company to obtain financing as and when required and on reasonable terms. Readers should not place undue reliance on forward-looking information. Perseus does not undertake to update any forward-looking information, except in accordance with applicable securities laws.